GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1136
ANSWERED ON:24.11.2000
COMMISSION TO REVIEW EXPENDITURE OF GOVERNMENT
AVSM, BRIG.(RETD.) KAMAKHYA PRASAD SINGH DEO;BASUDEB ACHARIA;CHANDRA NATH SINGH;GADDE RAMAMOHAN;M.V.V.S MURTHI;SHIVAJI MANE

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have appointed a Commission to review its expenditure;

(b) if so, the terms of reference and Composition of the Commission;

(c) whether the Commission has submitted its report;

(d) if so, the details thereof;

(e) the Government`s response thereto; and

(f) the steps taken by the Government to implement recommendation of the Commission ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) Yes, Sir.

(b) The terms of reference of the Expenditure Reforms Commission are as under:

(1) Keeping in view the evolving role of Government, the need to foster convergence and avoiding overlap in the functions of different Central Government Ministries, Departments and attached organisations and the role of the State Governments, suggest a road map for reducing the functions, activities and administrative structure of the Central Government;

(2) Review the framework of all subsidies, both explicit and implicit, examine the economic rationale for their continuance and make recommendations for making subsidies transparent and suggest measures for maximising their impact on the target population at minimum cost;

(3) Review the framework for determination of user charges of Departmental and commercial entities and suggest an effective strategy for cost recovery through user charges;

(4) Review the adequacy of staffing under Central Government Ministries, attached offices and institutions and suggest measures for rationalising the staff and cadres of different services. In this context also review the existing arrangements for re-deployment and re-training of surplus staff to ensure that any additional manpower for new areas of Government activities are met by re-deployment;

(5) Review the procedure for setting up Government funded autonomous institutions and their pattern of funding and suggest measures for effecting improvement and reducing budgetary support for their activities; and

(6) Consider any other relevant issue concerning expenditure management in Government and make suitable recommendations.

(c) to (f) The Commission has made two reports so far. The first report deals with Food Subsidy and the second report deals with the following issues:

(1) Rationalizing Fertilizer Subsidy
(2) Optimizing Govt. staff strength - Some General Issues
(3) Rationalizing of the Functions, Activities and Structure of the Ministry of Information & Broadcasting.
(4) Rationalizing of the Functions, Activities and Structure in the Ministry of Coal.

While the recommendation in the first report regarding modification of economic cost of wheat and rice has been implemented, the

other recommendations of the Commission are under consideration of the Government.